

**AMENDMENT TO H.R. 1106**  
**OFFERED BY Mr. Conyers**

In the table of contents of the bill, in the item relating to section 121, strike "department of veterans affairs" and insert "Department of Veterans Affairs".

Beginning on page 7, strike line 6 and all that follows through line 16 on page 8, and insert the following:

- 1           “(1) if such residence is sold in the 1st year oc-
- 2           curring after the effective date of the plan, 90 per-
- 3           cent of the amount of the difference between the
- 4           sales price and the amount of such claim as origi-
- 5           nally determined under subsection (b)(11) (plus
- 6           costs of sale and improvements), but not to exceed
- 7           the unpaid amount of the allowed secured claim de-
- 8           termined as if such claim had not been reduced
- 9           under such subsection;
- 10           “(2) if such residence is sold in the 2d year oc-
- 11           curring after the effective date of the plan, 70 per-
- 12           cent of the amount of the difference between the
- 13           sales price and the amount of such claim as origi-
- 14           nally determined under subsection (b)(11) (plus
- 15           costs of sale and improvements), but not to exceed

1 the unpaid amount of the allowed secured claim de-  
2 termined as if such claim had not been reduced  
3 under such subsection;

4 “(3) if such residence is sold in the 3d year oc-  
5 ccurring after the effective date of the plan, 50 per-  
6 cent of the amount of the difference between the  
7 sales price and the amount of such claim as origi-  
8 nally determined under subsection (b)(11) (plus  
9 costs of sale and improvements), but not to exceed  
10 the unpaid amount of the allowed secured claim de-  
11 termined as if such claim had not been reduced  
12 under such subsection;

13 “(4) if such residence is sold in the 4th year oc-  
14 ccurring after the effective date of the plan, 30 per-  
15 cent of the amount of the difference between the  
16 sales price and the amount of such claim as origi-  
17 nally determined under subsection (b)(11) (plus  
18 costs of sale and improvements), but not to exceed  
19 the unpaid amount of the allowed secured claim de-  
20 termined as if such claim had not been reduced  
21 under such subsection; and

22 “(5) if such residence is sold in the 5th year oc-  
23 ccurring after the effective date of the plan, 10 per-  
24 cent of the amount of the difference between the  
25 sales price and the amount of such claim as origi-

1 nally determined under subsection (b)(11) (plus  
2 costs of sale and improvements), but not to exceed  
3 the unpaid amount of the allowed secured claim de-  
4 termined as if such claim had not been reduced  
5 under such subsection.”.

Beginning on page 8, strike line 23 and all that fol-  
lows through line 4 on page 9, insert the following:

6 “(A) the debtor certifies that the debtor at-  
7 tempted to contact the holder of such claim (or enti-  
8 ty collecting payments on behalf of such holder) re-  
9 garding modification of the loan that is the subject  
10 of such claim and provided a written statement of  
11 the debtor’s current income and expenses substan-  
12 tially conforming with the schedules required under  
13 section 521(a) or such other form as is promulgated  
14 by the Judicial Conference of the United States for  
15 this purpose; or”.

Page 9, line 24, insert “and, if the issue of value is  
contested, the court shall determine such value in accord-  
ance with the appraisal rules used by the Federal Hous-  
ing Administration” after “determined”.

Page 11, strike lines 23 through 25, insert the fol-  
lowing:

16 (1) in paragraph (5)—

- 1 (A) by inserting “except as otherwise pro-  
2 vided in section 1322(b)(11),” after “(5),” and  
3 (B) in subparagraph (B)(iii)(I) by insert-  
4 ing “(including payments of a claim modified  
5 under section 1322(b)(11))” after “payments”  
6 the 1st place it appears,

Page 12, line 20, insert the following after “faith”:

- 7 (Lack of good faith exists if the debtor has no need  
8 for relief under this paragraph because the debtor  
9 can pay all of his or her debts and any future pay-  
10 ment increases on such debts without difficulty for  
11 the foreseeable future, including the positive amorti-  
12 zation of mortgage debt.)

Page 15, after line 8, insert the following (and make  
such technical and conforming changes as may be appro-  
priate):

13 **SEC. 109. GAO STUDY.**

- 14 The Comptroller General shall carry out a study, and  
15 submit to the Committee on the Judiciary of the House  
16 of Representatives and the Committee on the Judiciary  
17 of the Senate, not later than 2 years after the date of  
18 the enactment of this Act a report containing—

- 19 (1) the results of such study of—

1 (A) the number of debtors who filed, dur-  
2 ing the 1-year period beginning on the date of  
3 the enactment of this Act, cases under chapter  
4 13 of title 11 of the United States Code for the  
5 purpose of restructuring their principal resi-  
6 dence mortgages.

7 (B) the number of mortgages restructured  
8 under the amendments made by this subtitle  
9 that subsequently resulted in default and fore-  
10 closure, and

11 (C) a comparison between the effectiveness  
12 of mortgages restructured under programs out-  
13 side of bankruptcy, such as Hope Now and  
14 Help for Homeowners, and mortgages restruc-  
15 tured under the amendments made by this sub-  
16 title and

17 (2) a recommendation as to whether such  
18 amendments should be amended to include a sunset  
19 clause.

Page 15, line 15, strike "Subsection (a) of section"  
and insert "Section".

Page 25, line 24, strike "disposition" and insert  
"disposition,".

